

Committee on Resources

Subcommittee on Fisheries Conservation, Wildlife and Oceans

Witness Testimony

STATEMENT OF JEFFREY R. PIKE
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BEFORE THE
SUBCOMMITTEE ON FISHERIES CONSERVATION,
WILDLIFE AND OCEANS COMMITTEE ON RESOURCES
U.S. HOUSE OF REPRESENTATIVE
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NORTHWEST ATLANTIC FISHERIES CONVENTION ACT OF 1995
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Chairman Saxton and Ranking Member Pallone, it is a pleasure to once again appear before this Subcommittee to discuss the conservation and management of fisheries in the northwest Atlantic Ocean. My name is Jeffrey R. Pike and in June of 1996 I was invited by the Secretary of Commerce to serve as the first fishing industry commissioner to NAFO. In that capacity I have tried to do my best to represent the views of the U.S. commercial fishing industry and to seek new fishing opportunities for American fishermen.

I am pleased to report that since my appointment I have attended two annual meetings of NAFO and several meetings of the NAFO Consultative Committee established under Section 208 of the Northwest Atlantic Fisheries Convention Act of 1995 (P.L. 104-43). I think we've made some very good progress at these meetings and will briefly discuss some of the more important issues in my testimony.

First, however, I would like to give you some of my personal observations and insights about NAFO to acquaint you with the organization and the challenges ahead. As you are aware, the U.S. was one of the principle architects of NAFO and although the Senate ratified the treaty in 1983, the U.S. did not become a member until 1996 when this Subcommittee approved legislation allowing the U.S. to do so. It is very clear that the U.S. is viewed by other NAFO members, notably Canada and the EU, as the new kids on the block because we took so long to join. At our very first General Council meeting, where the U.S. delegation decided to take a firm and aggressive stand on conservation and allocation issues, we were told "informally" by delegates from other nations not to rock the boat. It was suggested that because we were a new member, the U.S. should be respectful of the organization, its procedures and protocols and not be too aggressive. In other words, speak only when you are spoken to! As I listened politely, I thought about the irony in those statements because this was the same organization that allowed massive overfishing of northwest Atlantic fish stocks to a point where most NAFO regulated fish stocks are under moratorium or have negligible TAC's. I also remembered that the U.S. financial contribution to NAFO is almost 20% of the entire budget. From that point on, Mr. Chairman, I knew that progress within NAFO was going to be very difficult.

Over the past decade, NAFO has operated more as a closed shop than a transparent international organization. For example, virtually every difficult issue (such as allocations) has traditionally been dealt with in Heads of Delegations meetings. These meetings are closed and only one representative from each country is allowed to attend. Historically all the difficult issues have been linked together in one package so that when the Heads of Delegations reach a comprehensive agreement behind closed doors, it is a pro forma

exercise to have the full NAFO Commission approve the agreement. Mr. Chairman, this is why the efforts of the U.S. to create an open and transparent international organization are so important. We have pushed for and achieved the creation of a working group on transparency that will consider treatment of observers and other issues and under the leadership provided by the U.S. delegation we intend to change the rules of NAFO so that it becomes truly transparent. We are also making progress in our efforts to have most of the contentious issues debated in open meetings of the Fisheries Commission or General Council.

It is also not uncommon for NAFO to ignore the scientific advice when it is too difficult to resolve allocation issues. For example, at our first annual meeting the U.S. delegation participated in a debate where the scientist strongly recommended that the TAC for a NAFO regulated species be reduced because of the poor condition of the stock. NAFO did not heed this advice and instead retained the previous years quota. The justification given for this action was that it was highly unlikely that the entire TAC would be taken, so it didn't really matter whether the TAC was reduced or not. The truth is that the reason the TAC would not be harvested was that there weren't enough fish.

Credit should be given to NMFS' Woods Hole scientists for their leadership in the Scientific Council. They have shown that they are among the best in the world and they speak out for adherence to good science. The U.S. delegation and all our scientists continue to push for the adoption of the precautionary principle within NAFO in order to protect what few fish are left and to establish sound fishery conservation and management principles so that recovered stocks will not be overfished again. In this regard I believe the work we have been doing in NAFO in terms of pressing for better conservation and management of fishery resources is consistent with the views and philosophy of this Subcommittee as evidenced in the most recent reauthorization of the Magnuson Act.

Lastly, I want to discuss the issue of allocations within the NAFO regulatory area and new opportunities for U.S. fishermen. Today six of the eleven principal stocks managed by TAC's are under moratoria, while several others have token quotas. To put things in perspective, the combined TAC's available within the NAFO regulatory area are currently about 50,000 mt. Compare this figure to our annual landings from Georges Bank of approximately 100,000 mt. or the Bering Sea where approximately one million metric tons of fish are harvested annually. Because there are so few fish available, allocation issues are tremendously challenging.

Mr. Chairman, if you asked any of the U.S. Commissioners how allocations were established within NAFO, we wouldn't be able to tell you because we don't know. Believe it or not there is something called a "key" which contains some secret formula on which allocations are based. I am told that once a TAC is established it is punched into the key and out spits the proper distribution of the TAC. Sound incredulous, well it is. The Convention states (Article XI (4)) that the allocation of catches shall take into account historical fishing patterns and coastal community needs, but this is all pretty vague. At our first NAFO meeting the U.S. claim to coastal state preference for a squid allocation was challenged by Canada and the EU. Some delegates actually tried to tell us that the U.S. was not coastal state and did not deserve the same favorable consideration as a true coastal state with respect to squid. The uncertainty of rules governing allocations is unhealthy for NAFO and makes it all that more difficult for us to find opportunities for the U.S. fishing industry.

Because of our frustration with NAFO's allocation practices and our desire to seek new fishing opportunities for American fishermen, the U.S. set out to develop a new allocation proposal that would provide a clearly understood, calculable, predictable method of allocating fishing quotas within the NAFO regulatory area to all parties in a rational and fair process. Working with industry and the consultative committee, we

developed a proposal that would suspend allocations to NAFO members not in good standing, recognize the special status of coastal States and historical fishing as well as the interests of those members without quota. As you are aware, Articles X and XI of the UN Straddling Fish Stocks Agreement call upon regional fisheries management organizations to accommodate the fishing interests of new members as a way of promoting membership and adherence to regional fishery conservation and management practices.

You can imagine the warm reception our proposal received when we presented it to NAFO last September. Here was the U.S. trying to change the rules again to provide some fishing opportunities for those countries without quota, even though our position is consistent with the UN Agreement which most of the NAFO members have adopted. Comments were made to the U.S. delegation by those representing nations with quota that we shouldn't expect to get much quota for years to come, particularly with respect to fisheries under moratoria that may open. It was explained to us that those long-time NAFO members had sacrificed fishing opportunities in order to rebuild stocks and when those fisheries open, they would be the first to receive quota. We not only pointed out that this was an obligation under the U.N Agreement, we suggested that these were the same fishing fleets responsible for overfishing the stocks in the first place. I believe all nations ought to have some opportunity to participate in re-opened fisheries if they so desire, taking into account historical fishing activities and other important factors.

I hope I have provided you with a few insights into NAFO. The U.S. Commissioners will need this Subcommittee's support in our efforts to reform NAFO into a modern, transparent international fishing organization. We are going to have an extremely tough battle on our hands in getting NAFO to adopt a new allocation scheme that is fair, predictable and one that provides fishing opportunities for all members including American fishermen. But with proper stewardship, I believe fisheries under NAFO regulation can provide meaningful opportunities for American fishermen in the years ahead. Again, thank you and I would be pleased to answer any questions.

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